

FAX

Dear [redacted]

STAT

Date: June 4, 1990

To [redacted]

Central Intelligence
Agency

From: Jack Powers
Interactive Features
Fax +1 212-727-8450
Voice +1 800-252-5880

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Following up our phone discussion, enclosed are some engagement notes pulled together from several recent client proposals. I've described the components of our consulting services in three parts: the up-front *Publishing Production Audit*, the *Equipment Selection and Vendor Negotiation*, and *Network Publishing Integration and Training*. Although the equipment selection and integration phases depend on the results of the audit, I've provided typical task schedules on three six week grids, and I've even listed some basic price ranges. STAT

Two things to keep in mind. Generally these days, we don't see formal *Requests for Proposals* to vendors as much as applicatSTAT specific acceptance tests that include sample pages, turnaround requirements and processing benchmarks. A short while back, two federal agencies that had distributed large, detailed RFPs called us to find out why no vendor had responded. In an era in which few companies even claim to provide total solutions, no sales manager in his right mind will guarantee components he doesn't make any money on.

Secondly, clients have asked us to price the integration and training segment in several interesting ways. We can bill by the day (\$1,200 for associates, \$2,000 for principals), by the workstation (e.g., \$1,000 to \$1,500 per seat) or by the total cost of the system (30% of the retail price of all network components). We're generally fairly flexible on fee calculation to meet the client's requirements, especially in government.

I hope these notes give you a good overview of our service options. If there's anything else you need, call me or fax me later this week. I'll be in Chicago Thursday, but I'll be back in the office Friday morning.

Cordially,


Jack Powers

INTERACTIVE FEATURES INCORPORATED
28 1/2 CORNELIA STREET • NEW YORK
NEW YORK 10014 • FAX 212-727-8450
PHONE 212-645-2285 • 800-252-5880

Analyzing Electronic Publishing Technology and Management

Engagement Notes

June 4, 1990

In eight years of consulting on publishing and media technologies, we've developed some standard operating procedures to help us get the most complete information and the broadest perspective on the issues confronting client organizations. Although every engagement is unique, there are some basic

☐ INITIAL OVERVIEW

~~1 to 2 DAYS, ONSITE~~

The first step is the most important, the initial gathering of data upon which we'll be operating. Our two-page *Engagement Checklist* (attached) is a good outline of the kind of information we generally need, although some of the points may not be germane to an individual engagement. Conversely, sometimes a client has more specific materials—a new business or equipment proposal, a faulty system, software listings—which are the subject of study.

For most engagement, it's important that we have a clear ranking of work in order of importance, a good handle on the volume (stated in whatever terms are convenient), and a close estimate of costs—personnel, equipment, outside charges, and general overhead. The general management climate of a company also determines the kinds of solution we consider.

Often, we schedule one day of on-site data gathering, with a second day reserved for follow-up interviews. For engagements in which the focus is managerial, the two days are often consecutive; for jobs in which we have to investigate technical or marketing issues, we may come back after an investigation period for the follow-up.

☐ LAB ANALYSIS

~~2 WEEKS, NY~~

The process of analyzing the data we collect in our on-site meetings changes based on the needs of the engagement. We generally consider management issues first, then technology options, then financial justifications. When possible, we'll test our assumptions about equipment capabilities either through the systems available at the Lab or through demonstration visits to key vendors. If necessary, we'll rank management implementation and technology adaptation and business risks to identify things that can be done right away, things that ought to wait for some new development, and things that should be avoided like the plague.

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☐ DRAFT REPORT PREPARATION

1 WEEK, NY

We present our findings and recommendations in a report that outlines the assumptions that went into the analysis. Since most publishing operations are in a constant state of change, we make sure that our reasons are fully laid out and our judgements supported. When necessary, we provide spreadsheet volume calculations and financial justifications on disk so that client managers can run their own numbers based on alternative scenarios. We also present implementation schedules, vendor contact lists, and—when appropriate—disclosure statements identifying vendor forms with whom we have had recent consulting relationships.

TYPICAL ENGAGEMENT TIMELINES

PUBLISHING PRODUCTION AUDIT

Week One	Week Two	Week Three	Week Four	Week Five	Week Six
INITIAL OVERVIEW					
	LAB ANALYSIS				
		DRAFT PREPARATION			
			DRAFT REVISION		
				LIVE REPORT	

#10K

EQUIPMENT SELECTION AND VENDOR NEGOTIATION

Week One	Week Two	Week Three	Week Four	Week Five	Week Six
	VENDOR CONTACT				
		VENDORS VISITS			
		BUILD ACCEPTANCE TESTS			
		R&D STUDY			
			NEGOTIATION		
				CONTRACT	

#7,500

NETWORK PUBLISHING INTEGRATION AND TRAINING

Week One	Week Two	Week Three	Week Four	Week Five	Week Six
	INSTALLATION				
	ACCEPTANCE TESTS				
		NETWORK CONFIGURATION			
			PILOT PUBLICATION		
			TRAINING		
				SIGN-OFF	

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☐ **DRAFT REVIEW & REVISION**

1 WEEK

After a draft report is submitted to the client's engagement manager, a face-to-face draft review meeting is held to clarify questions and to sharpen the report's focus. This may mean revising the order of implementation to reflect internal business pressures, correcting differences in perspective on priorities, sharpening the financial focus or accommodating late-changing conditions. Sometimes, several review cycles are required, and we have used fax updates, telephone conferencing and audiocassette commentaries to streamline multiple revision cycles.

☐ **LIVE PRESENTATION OF FINDINGS**

1 DAY, ON-SITE

The best way to establish consensus on complex technology recommendations is to involve all the stakeholders at the outset. The more people understand the overall technology strategy, the easier it will be to implement, and we find that a live presentation of the final report provides an excellent opportunity for discussion and debate. Sometimes, we present the findings in several sessions—one to management, one to creative staff, one to production staff, etc.—and often clients have taped the presentation for future reference.

☐ **NETWORK INTEGRATION**

Most publishing solutions these days involve multiple vendors operating in a network environment. Ideally, a lead vendor will take responsibility for integrating the subsidiary components, but in many cases vendors offer only a small set of standardized packages. Interactive Features does not sell any hardware or software, but we sometimes take over the integration of complex systems for clients with special needs, providing everything from initial vendor contact and negotiation to acceptance testing to network implementation to monitoring the initial production run.

☐ **PRODUCTION TRAINING & PILOT PUBLICATION**

Hand-in-hand with network publishing integration is the training of client staff in the use of the hardware and software in real production. Often, our client-specific training programs bracket the vendors' software applications training that comes with most equipment. An IFI instructor begins the training cycle with an orientation session describing the publishing network in the language of the client's application. The software vendor then teaches the individual applications, often after consultation with our network integrators. Finally, the IFI instructor teaches the use of the software in real world production.

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During the training period, a pilot publication is selected for parallel production, and the results of this initial use of the system are monitored and discussed to fine tune the full-scale implementation plan.

☐ **R&D PROJECTS**

From time to time, there are applications that require special study: unique data processing functions, special imaging requirements, complex interfacing and networking links, or extraordinary speed or storage needs. We research developing technologies, test new products, build feasibility and concept-testing systems and even produce demonstration publications that explore new techniques.

☐ **FEE SCHEDULES**

Although every engagement is different, we have developed some standard pricing guidelines that reflect our experience in a wide variety of consulting engagements across the U.S.

PUBLISHING PRODUCTION AUDIT
includes on-site visits, Lab analysis,
draft report and revision, and
live presentation of findings

\$10,000 *6 weeks*

SYSTEM SELECTION & VENDOR NEGOTIATION
includes vendor contact and up to four
demonstration visits, building of
acceptance tests, selection advice
and contract support

from \$7,500 *6 weeks*

NETWORK PUBLISHING INTEGRATION & TRAINING
includes installation testing, network
configuration, training of systems manager
and 6 to 10 users, monitoring of pilot
publication and post-production analysis

from \$15,000 *6 weeks*